

STATE OF THE FLEET



STATE OF UTAH

FROM THE DIRECTOR STEVE SALTZGIVER

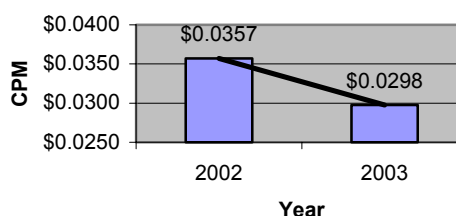
Each year, I have the opportunity to look at the numbers part of the fleet business, which for those that know me, you realize that this is one of my very favorite things to do. This past fiscal year I noticed many positive trends starting to take shape in the state fleet. I thought I'd take some time to share this information with everyone.

First, the overall fleet costs related to the state fleet show a downward trend over last fiscal year. Before you get too excited, there are many reasons for these lower costs ranging from the mandated (Legislative) fleet reduction of over 230 vehicles to less statewide travel due to a slower or stalled economy.

However, on the positive side, the overall cost of the state's fleet operation per mile costs are still down despite the reasons. Cost-per-mile or CPM is a benchmark all of in fleet refer to all the time. This is a "BIG DEAL"! Especially, when you consider that the state vehicles operate almost 100,000,000 miles annually. Those of us that have been in the fleet management business for a while grow to understand the "Power of a Penny".



Maintenance CPM Trend



\$583,000.00 or a 9% overall decrease. Not bad, eh?

Second, this past year much of the fleet data being collected is starting to show very positive signs

Just to give you an idea, comparing last year's CPM to this years in the area of vehicle maintenance, we saved approximately \$0.005 cents-per-mile. This equates to ½ a penny per mile in savings. However, when you consider that the state fleet operated over 98 million miles in 2003, this is a dollar savings of

of consistency. Consistency is important for us to conduct effective trend analysis of the data and to formulate and implement new fiscal management policies. We still have some work to do to bring more consistency to the data integrity process. However, it is beginning to show that some of our policy and

FROM THE DIRECTOR—CONTINUED

management changes are starting to “move in the Right Direction!”

Just to recap, below are some management objectives that have been implemented the past few years to help increase data integrity

- **Odometer Reading**

- **Validation and Accuracy-**

It is said in the fleet business;

“Correct mileage is the

lifeblood of quality fleet

management.” Every fleet

management decision is

predicated on accurate vehicle

mileage, from cost analysis to vehicle replacement. In FY2000, a

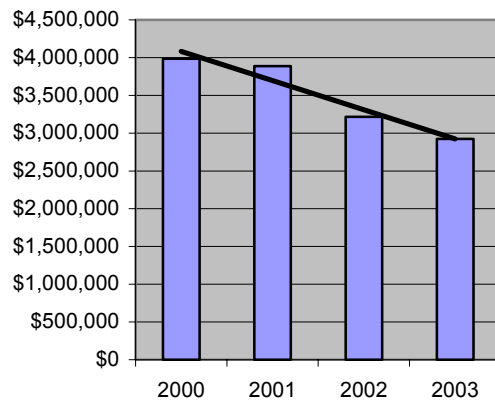
process was implemented that included a fee for errant odometer readings entered into the system.

Odometer readings are entered through several sources. One of the most important sources is by the vehicle operator when vehicle fueling occurs. Prior to the implementation of this management policy, the error rate was about 15%. This past year’s error rate is only about 7%, meaning 93% of all odometer readings entered are correct. This is a tremendous improvement.

- **Centralized Maintenance Management**

- In FY 2001 the central fleet partnered with Automotive Resources International (ARI) to help improve data integrity. The partnership process has proved to save money each year relative to maintaining state vehicles. (See **Graph Above**) Moreover, the quality of the data has improved immensely. This partnership includes the use of standardized industry codes to annotate repairs and a monthly download of all work orders performed into the fleet system.

Centralized Fleet Maintenance Costs



Additionally, this partnership has produced savings in the area of “post-warranty” recovery. This is an area of fleet maintenance never recouped in the past. In a nutshell, these savings are monies collected when the vehicle is out of the warranty period. ARI’s clout in the fleet industry allows them to negotiate with the big manufacturers and collect this on the state’s behalf. To date the total equals, **\$77,571.00.** Wow!

- **Alternative Fuel Vehicle Fuel Usage-**

Several years ago the federal government implemented some strategic objectives for state and municipal fleets to reduce import of fossil fuel resources. This included the purchase of alternative fuel vehicles, which include the use of Compressed Natural Gas (CNG), propane, electric and ethanol (E-85). The state has been using primarily two alternative fuel sources, CNG and E-85. The past four years the overall use of AF sources has steadily increased.

The state’s cost of CNG compared to unleaded fuels is approximately thirty-cents less per gallon. This equates to overall fuel saving in FY 2003 of about **\$80,379.00.** This is a very positive trend considering the overall number of AFVs has decreased from the previous year by 14% (down from 858 to 735).

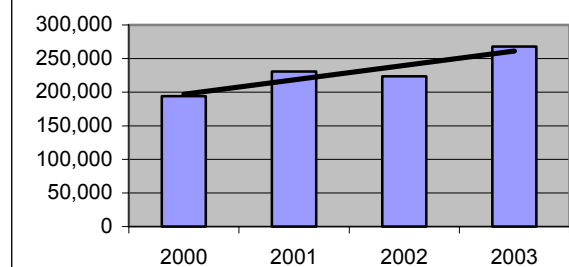
We can all start breathing a little easier!

Overall, this past fiscal year is showing many other positive signs relative to continued fleet savings.

Congratulations are in order to everyone working with state fleet vehicles for your part in continuing to reduce the state’s fleet costs.

This is a testament to the hard work and dedicated fleet employees managing the state’s fleet assets. Take a moment to reflect on your success and hard work. You are truly custodians of the taxpayer’s dollars.

AFV fuel Usage (Gallons)



State Surplus Public Sales

Surplus Piano



A new feature has been added to the Utah State surplus web-page. The public can now go online and bid for an assortment of surplus property. Online auctions have been thriving for the past several years, and have been very successful in bringing together a wide variety of buyers.

The auction web-page became active in December 2002. First indications are encouraging. The Division of Fleet & Surplus Services (DFSS) I.T. team is currently working on listing our site on various network search engines, and have identified additional enhancements to streamline the online auction experience.

In addition, State surplus will now offer packaging/shipping on a limited basis. Which means, we will wrap, box, and deliver for mailing those items that we can handle manually. Large or heavy items will still require that the buyer contact a certified service that has the resources to crate and ship safely.

Please visit our site at <http://fleet.utah.gov/services/surplus/auctioninfo/auctioninfo.htm>

You may also want to visit the Federal surplus auction site at <https://www.gsaauctions.gov/index.jsp>

If you search by "Utah" you will see what's available locally for bid.

If you have any questions regarding either auction site please feel free to contact the surplus agency at (801) 619-7200. We hope you will take the time to visit us online.



A piano surplused from the Utah State hospital was featured on the surplus auction site. This piano needed a lot of work, but had a great potential. The winning bidder for this piano was Carol Law. Carol's first comment when she came to claim her prize, was that she wanted this piano for her grand kids. She presently has 8 grandchildren. When they [grandchildren] are visiting at our house, they often play with a small organ that we had purchased for our daughter when she was 2 years old, now 26 years old, Carol said.

A co-worker of Carol's that played the piano, looked it over and said it was in good playing order except for a couple of off keys. Carol became very excited and made arrangements to transport the piano to her home.

In the process of moving the piano on a utility trailer, one end of the piano broke through the deck of the trailer. No harm to the piano, Carol told us, but it made it more difficult to get the piano off the trailer.

Then the long and laborious task of restoring the piano.



A professional piano mover was used to relocate the piano from the garage to the appointed place in the house.

The story doesn't end here however. Carol's excitement gathered steam when she noticed an advertisement in the local paper for senior citizen piano lessons. Carol wasted no time signing up for the course. Five lessons later Carol can play 5 songs. Jingle Bells, Silent Night, Merrily We Roll along, For He's a Jolly Good Fellow, and Amazing Grace. If that was not enough, Carol also redecorated a room just for the piano.

After doing some research on this piano, through the serial number, they learned that the keys were actually ivory, and that Emerson built it in 1915. What a great find and what a great treasure for their family to enjoy for years to come. We at surplus are very happy for Carol and her family.



Visit us at surplus and find a treasure for yourself. We look forward to meeting you.

Division of Fleet Operations

*Moving
in the
Right
Direction!*

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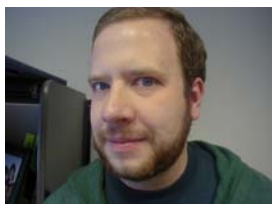
Division News

DFO Has It's First Annual Beard Growing Contest

In an effort to keep our 2001 "Retreat" Fish! Philosophy and the theme of "Fun at Work" in our consciousness, the Division held the first Annual Beard Growing Contest. The contest began on the 6th of November and lasted for one month.



Dave Rees



Peter Musser



Glen Wright



Rich Hullinger



Sam Lee



Al Orwin

And the winner was.....Rich! He won a beard trimmer for his efforts.

Their wives weren't too sure about this being an annual contest!

Healthy Loosers

Our Division decided to get healthy. We began our quest on October first and went through January 5th. Each month, Healthy Utah came to our office during lunchtime to present a health seminar. Our first session was held on October 6th, with a presentation on "Portion Distortion". The official weigh-in was after the presentation. All participants chipped in \$1 each time we weighed in.

On November 3rd, our seminar was on exercise. We were given some exercises that we could do at our desks. On December 1st, we had a Holiday Stress seminar. Our final weigh-in was on January 5th. There were several people that maintained their weight over the holidays, some that lost a few, some that gained a few, and a couple who did really well, losing 8 and 11 pounds.

We enjoyed this so much, that we decided to begin/continue Fleet's Healthy Loosers until April 5th. We invited our friends at DFCM to join us. We have about 15 people that have signed up. Our first seminar, in January, was on "Cognitive Restructuring", which is a seminar on stress management. We had the official weigh-in on that day. We have a scale in our office, and everyone weighs in on Monday's, keeping track of their own progress. In February, we will have "Nutrition on the Run" and the next official weigh-in. We will have one more official weigh-in and seminar in March. The last official weigh-in will be the first Monday in April.

We've enjoyed this so much, that Healthy Utah is helping us develop a Division Wellness Council.

Good luck to all of our "Healthy Loosers"!